

BBEDC

4th Quarter Report 2004

TABLE OF CONTENTS

I.	Quarterly Highlights	Page 5
II.	Community Development	Page 8
	A. Progress Toward Goals, Objectives, Milestones	
	B. Outreach	
	C. Employment	
	1. Data Form	
	2. Summary	
	3. Summary of Employment	
	D. Training	
	1. Data Form	
	2. Summary	
	E. Other Issues	
III.	Administration	
	A. Board Activities	Page 29
	1. Changes in members	
	2. Decisions (see confidential section)	
	3. Board Minutes (see confidential section)	
	B. State of Alaska Reporting Compliance	
	C. Amendment Status	
	D. Other Issues	
IV.	Harvesting and Processing Report	Page 31
	A. Pollock and Multi-species CDQ Harvest Activities by Target Fishery	
	1. Summary of Harvesting Activities by Target Fishery	
	B. Pollock and Multi-species CDQ Harvest by Quarter and Year-to-Date	
	1. Consolidated Summary of CDQ Harvesting Activities	
	C. Compliance	
	D. Other Fishing Issues/Activities	
V.	Confidential Issues:	(Attached)
	A. Financial Statements:	
	1. Consolidated Statements of Activities	
	1. Consolidated Statements of Financial Position	
	3. Consolidated Statements of Cash Flows	
	4. Subsidiary Report – CDQ Group Subsidiaries	
	a. Income Statement (Statement of Activities)	
	b. Balance Sheet (Statement of Financial Position)	
	c. Cash Flow Statement (Statement of Cash Flows)	
	d. Organizational Chart (Current Information) ¹	
	5. Consolidating General and Administrative Expenses	
	6. Budget Summary	

7. Notes to Financial Statements (Quarterly & YTD CDQ Royalties by Species)
- B. Tax Issues
 - C. Imminent Major Investments
 - D. Other



QUARTERLY HIGHLIGHTS

4th Quarter 2004

- Approximately 245 fishers have been provided with 1,260 slush bags
- Slush bag meeting were held with Ekuk set-netters 19 attendees
- Met with Ekuk set-netters to consider slush bags and tender/market proposal to the BBEDC board with six people in attendance
- Developed a regional fisheries 2005 budget that is 55 percent funded by BBEDC and 45 percent funded by grants
- BBEDC staff attended an ASMI meeting in Anchorage with statewide regional branding organizations present
- BBEDC staff attended Alaska Regional Seafood Branding Association (ASARB) organizational meeting
- Funding was approved for the owners of each of the six BBEDC ice machine owners to up grade their ice machines
- Bristol Bay Fish Company -- Oversaw sales of salmon fillets produced in 2004; product inspections, communications with customers, price negotiations, sales and inventory clean-up at year end. Preliminary reports indicate the program went beyond financial and educational expectations
- Completed final sales packet – complete documentation and invoicing done on schedule.
- Began drafting the final in-depth report of all 2004 activities to help guide local entrepreneurs interested in starting up a processing business
- Began planning for 2005 by making contacts with potential processors and customers
- Developed 2005 budget documentation and critical timelines for project completion
- Traveled to UAA and UAF to meet with scholarship recipients
- Gave scholarship presentations at Dillingham, Togiak, Manokotak, and Bristol Bay high schools
- Awarded 69 Harvey Samuelson scholarships for the 2004-2005 academic year
- Regularly monitored scholarship recipients for academic progress
- Applied for and received an “IDA” grant from the United Way/ Rasmussen Foundation to provide matching funds for residents saving for higher education
- Enrolled 4 participants in the IDA program
- BBEDC Employment and Training Staff traveled to Anchorage to man a BBEDC booth at the AFN Job Fair. Contact was made with approximately eighty (80) Bristol Bay area residents at the fair.
- BBEDC Staff traveled to Clarks Point, South Naknek, King Salmon, Naknek, Aleknagik, Ekwok, Levelock, Egegik, Port Heiden, Pilot Point, Togiak, Twin Hills, Ugashik and Manokotak, to conduct various forms of outreach.
- BBEDC residents earned in excess of \$727,000 working for industry partners in 2004
- BBEDC had 38 different interns complete their internships in 2004
- The College Development fund distributed over \$18,000 in scholarship funds in 2004
- BBEDC sponsored an AMSEA Marine Survival course in Manokotak that 15 residents attended
- BBEDC has dispersed over \$82,000 in vocational scholarships in 2004.
- BBEDC Employment & Training Staff Jointly sponsored two job fairs in the fourth quarter, one in Dillingham, and one in Naknek.

- Prepared and submitted quarterly grant reports on a timely basis
- Monitored availability of potential grants for fisheries programs and Salmon Camp.
- Coordinated completion of the S-K Community Impacts of Restructuring the Bristol Bay Salmon Fishery with presentations to the BBEDC board and BBNC Leadership Forum
- Initiated the NOAA required Evaluation process for the S-K project referenced above.
- Administered the BBEDC Community Planning Grant Program. All but one community successfully filed grant applications. The status of the individual grants is presented in the attached matrix.
- Participated in the Bristol Bay Partners Planning Committee, which is coordinating tasks under the Foraker/USDA Grant for development of Community Plans and enhancement of the partnership.
- Participated in the SWAMC Health, Education and Public Safety Committee in development of a Quality of Life Index for southwest Alaska, which will be a useful tool for future grant applications.
- Prepared and submitted two separate grant applications for fisheries marketing
- Provided information to BBEDC Liaisons as requested.
- Assisted in identification of a site for a potential BBEDC office building.

Regional Fisheries Issues

Increasing emphasis is being placed by BBEDC on developing ways to create and restore wealth for the depressed salmon fishery in Bristol Bay. The regional fisheries program continued into 2004 as the largest budget component within the network of programs offered by BBEDC.

In 2004, BBEDC formed the Bristol Bay Fish Company as a separate not for profit company to conduct fish buying and selling activities. The primary goal of the company is to generate a business model that will benefit local entrepreneurs interested in getting involved in fish processing as a business. Over the past summer the company purchased headed and gutted salmon from a Bristol Bay salmon processor. It was custom processed and marketed and sold in the marketplace using the Bristol Bay Wild Logo.

Another major development in 2004 was a collaborative effort with Trident Seafoods (thanks largely to the ingenuity of one of their marine engineers) in the commissioning of the first ever “ice barge” in Bristol Bay, which essentially was a standard freight barge outfitted with an ice machine. The barge was capable of making ice with the help of an onboard generator that used salt water from the river. It was stationed in the Naknek River, where it provided in-season ice to setnet and gillnet fishermen. An RFP has been sent out by BBEDC to construct a new ice barge with greater ice making capacity.

There are a number of programs that are under consideration for 2005 relative to the new fish company and the umbrella of quality control services being offered by BBEDC. One project is the formation of a regional ice cooperative that will provide fishermen, industry participants and others with a governing structure to work together to confront the challenging logistics involved in providing ice on a wide-scale basis through Bristol Bay in an affordable and cost effective manner. The initial discussion to form the cooperative began in the fourth quarter 2004 and will continue into 2005.

Bristol Bay Wild

During the third quarter 2004 BBEDC hosted a Bristol Bay Wild Advisory Panel meeting that was attended by a wide range of industry, government, and other seafood business leaders. As follow-up activity during the fourth quarter, BBEDC staff spent time working on formulating policy items for consideration by the regional fisheries committee. Information gathered from the meeting was also considered during the formation of the 2005 budget.

Staff also attended several ASMI sponsored meetings that brought together representatives from regional seafood marketing programs to discuss marketing programs.

Other Regional Fisheries Activities

Staff filed BBEDC comments concerning draft regulations regarding HB 419, legislation that was signed into law during 2004. The bill authorizes the formation of a regional fishery association as administered by the Department of Commerce, Community and Economic

Development. BBEDC also staff worked on the administration of several grants relating to regional fisheries programs.

Community Ice Machine Support

The six BBEDC communities with ice machines submitted their applications for a \$30,000 in funds offered by BBEDC to upgrade ice machines. The regional fisheries committee reviewed and approved the requests. The following is a summary of the requests:

- Bristol Bay Borough –\$30,000 install flake ice equipment onto existing storage and delivery system.
- Egegik –\$30,000- Boom truck, totes, and tools.
- Ugashik –\$30,000-Delivery cart, ice hopper with shoot, tools.
- Port Heiden –\$30,000- Four wheel drive extend-a-boom fork lift.
- Togiak -\$30,000- Four wheel drive extend-a-boom fork lift.
- Dillingham –\$18,000- design a delivery system that will meet DEC approval.

Ice Demonstration Project

Following the successful operation of an ice barge in the Naknek River for 2004, BBEDC sent out an RFP to seafood industry members seeking proposals to build a new ice barge. If everything goes as scheduled, the barge should be available for the 2006 season. The design will incorporate improvements learned from the operation of the barge in 2004.

Slush Bags

In 2004, approximately 245 fishers received 1260 slush bags for chilling their catch at the point of harvest.

For the 2005 season fishers must contact BBEDC and provide their fishhold measurements (BBEDC staff will no longer travel to the communities and take measurements). Advertising has been conducted through the community liaisons, with a separate flyer being sent to the communities advertising the program and notifying potential recipients of the 6-8 weeks it takes for the slush bags to arrive from the manufacturer. BBEDC is encouraging fishermen to react quickly in time for the 2005 fishing season.

Fish hold Insulation

To complement the slush bag program, BBEDC is offering vessel fishhold insulation services. Fishers must select a service provider to insulate their fish holds along with signing a written agreement to BBEDC prior to accessing funding for the service.

4E Halibut Fishery

BBEDC halibut fishers harvested approximately 80,000 pounds in the 2004 season. More direct marketing is occurring by fishermen selling their product at the community level or to outlets in Anchorage. BBEDC has been instrumental in helping local fishers get more proficient in using online services to report their catch to the National Marine Fisheries Service.

Although the overall catch was down from previous years, the season in general was considered successful. There are several reasons for the lower harvest level, including -- no markets on the east side of Bristol Bay, higher fuel costs, fewer fishers, and fish not showing up in the west side of Bristol Bay. One processor purchased halibut in the Nushagak area; the first time the area has had a market in several years.

Community & Business Development Funds

BBEDC received the following applications during the 4th quarter:

- Technical Assistance:
 - Business Plan for Grocery store – Clarks Point
 - Budgets/forecasts for Fishermen’s Hall – Egegik
- Community Seed Funds:
 - Twin Hills – Funds for New Health Clinic – application being assessed by ABDC.
 - Clarks Point – Funds for New Health Clinic – application being assessed by ABDC.

Community Liaison Program

The community liaison program proved to be quite successful during in its first year. Each of the 17 communities employed liaisons in 2004. A survey of Community Liaisons, Managing Entity Supervisors and Tribal/City Employees indicated overwhelming support of the program given the jobs and information about BBEDC programs/services it provided.

Two sessions have been scheduled for March of 2005 to train the liaisons and their supervisors. The training will be provided by BBEDC staff.

Funding for the program has been approved for 2005.

Permit Brokerage

The Permit Brokerage had several calls this quarter from people seeking to purchase a BB drift net permit. However, there are no listings with the brokerage at present. As is the usual practice, the call volume has dwindled since during the summer peak season.

Interest Rate Assistance

The BBEDC Board of Directors approved the program in late September 2004 to provide up to \$4,000 annually toward the interest portion of a payment for a boat, gear, or permit loan. In 2004 five applicants were awarded interest rate payments. A total of 38 applications were sent out (to people who inquired) with 10 being returned for consideration.

\$IRA	Loan Type	Lending Agency	Date
		Wells	
\$2,295.45	boat	Fargo	10/1/2004
\$772.16	boat	ADOI	10/20/2004
		Alaska	
\$64.09	boat	Villages	10/29/2004
\$794.00	permit	ADOI	10/26/2004
\$970.98	boat	ADOI	11/16/2004

The BBEDC Board of Directors made a policy change on 12-20-04 to include SBA, FEMA and Home Equity loans. The program is expected to generate a lot of interest during 2005.

Tax Assistance

The tax assistance program was budgeted at \$25,000 for 2004. This relatively modest amount of funds generated tax services for nearly 400 people with refunds of nearly \$250,000. All the activity took place during the first and second quarters of 2004. The budget for 2005 has been increased to \$35,000.

Newsletter

The 4th quarter BBEDC Tide was mailed out to all CDQ box holders the first week of December.

Community Fish Processing Feasibility Studies

A contract was signed with the Lake & Peninsula Business Development Center to conduct fish processing feasibility studies for several BBEDC communities. Initial interviews with Egegik, Naknek, Levelock, Ugashik and Togiak were completed and several of the studies are in draft form. The fourth quarter program funds were disbursed to the Lake & Pen Business Development Center as required in the contract. The studies are scheduled to be completed in 2005.

Education Initiative

Harvey Samuelsen Scholarship

2004 was a banner year for the Harvey Samuelsen Scholarship Trust. More scholarships were awarded throughout the calendar year than ever before. The other significant event was the change in the status of the Trust from a public charity to a private foundation which requires a payout of 5% of the annual audited total for the Trust. The Trustees approved the change in third quarter 2004, which was good news for the recipients because it produced larger individual disbursements for the 2004-2005 academic year. The composition of the Trustees was also significantly revised during the committee appointment process during the BBEDC board meeting in November (per the bylaws for review of committee membership). Maryanne Johnson of Portage Creek is the new chairperson. Other education highlights for 2004, include:

- Traveled to UAA and UAF to meet with scholarship recipients.
- Gave scholarship presentations at Dillingham, Togiak, Manokotak, and Bristol Bay high schools.
- Awarded 69 scholarships for the 2004-2005 academic years.
- Monitored scholarship recipients for academic progress.
- Applied for and received an “IDA” grant from the United Way/ Rasmussen Foundation to provide matching funds for residents saving for higher education.
- Implemented IDA program enrolled 4 participants.

Community Economic Development Plans

In 2004 BBEDC offered its 17 communities funds up to \$30,000 to either create or assist in the completion of a community economic development plan. The plans will help guide the communities in prioritizing fishery related projects and it will better position them to take advantage of BBEDC’s Community Business Development funds. The following two pages detail the activity on a community basis.

BBEDC Community Development Plan Grant Program

Community	Grantee	Project	Status	Supplemental Status	Method	Projected Completion date
Aleknagik	City of Aleknagik	Update Aleknagik Comprehensive Strategic Development Plan	Award agreement executed by BBEDC/Aleknagik 12/10/04		Consultant: tbd	12/1/2005
Clarks Point	<i>No application</i>					
Dillingham	City of Dillingham	develop The Dillingham Comprehensive Community Plan	Award letter sent 1/3/05. Awaiting signed Agreement		in-house	1/31/2005
Egegik	Egegik Tribal Council	develop a Comprehensive Community Development Plan	Award letter sent 1/3/05. Awaiting signed Agreement		Consultant: tbd	10/15/2005
Ekuk	Ekuk Village Council	develop Ekuk Comprehensive Economic Development Plan	Award agreement executed by BBEDC/Ekuk 1-13-05		Consultant: Alaska Village Initiatives	12/31/2005
Ekwok	Ekwok Village Council	develop Comprehensive Community Development Plan	Award agreement executed by BBEDC/Ekwok 8/26/04	most recent report dated 10-11-04	Consultant: Agnew::Beck	11/30/2005
King Salmon	King Salmon Tribal Council	develop comprehensive tribal village plan	Award letter sent 1/3/05. Awaiting signed Agreement		Consultant: Sheila Selkegg and Associates	6/30/2005
Levelock	Levelock Village Council	<i>Application filed</i>				

Community	Grantee	Project	Status	Supplemental Status	Method	Projected Completion date
Manokotak	City of Manokotak	complete a Comprehensive Community Plan (building on previous work of Bonnie Ayojak)	Award letter sent 1/3/05. Awaiting signed Agreement		Consultant: Foraker Group (USDA/Bristol Bay partners)	
Naknek	Naknek Native Village Council	develop Community Development Plan for Naknek	Award agreement executed by BBEDC/Naknek 11/24/04	most recent report dated 12/15/04	Consultant: Angasan Associates & Sheila Selkregg and Associates	4/1/2005
Pilot Point	Pilot Point Tribal Council	Update Pilot Point Comprehensive Community Development Plan	Award letter sent 1/3/05. Awaiting signed Agreement		Consultant: Kingsley Consulting (Daniel Kingsley) and Decrstone Consulting (Brian Hirsch)	12/31/2005
Port Heiden	Native Council of Port Heiden	develop Comprehensive Community Development Plan	Award letter sent 1/3/05. Awaiting signed Agreement		Consultant: tbd	10/20/2005
Portage Creek	Portage Creek Tribal Council	develop Portage Creek Community Development Plan	Award letter sent 1/3/05. Awaiting signed Agreement		Consultant: tbd	12/31/2005
South Naknek	South Naknek Village Council	develop Comprehensive Community Development Plan	Award letter sent 1/3/05. Awaiting signed Agreement		Consultant: Sheila Selkregg and Associates	6/30/2005
Togiak	Traditional Council of Togiak	develop Comprehensive Community Development Plan	Award agreement executed by BBEDC/Togiak ?	most recent report 12/04	Consultant: Keith Tryck	12/31/2004
Community	Grantee	Project	Status	Supplemental Status	Method	Projected Completion date
Twin Hills	Twin Hills Village Council	develop Twin Hills Comprehensive Community Plan	Award letter sent 1/3/05. Awaiting signed Agreement		Consultant: Foraker Group (USDA/Bristol Bay partners)	est 12/31/05
Ugashik	Ugashik Traditional Village Council	develop Ugashik Community Strategic Plan	Award agreement executed by BBEDC/Ugashik 10/1/04		Consultant: Burns Consulting Services	est 9/30/05

BBEDC 2003-2005 Milestones

Administration

Objective - Maintain an effective management organization

Review corporate and personnel policies

- 1) *Milestone* - Review corporate policies, articles and bylaws.

The policy committee immediately prior to the November 2005 board meeting and discussed several issues relative to personnel and corporate policy matters.

- 2) *Milestone* – Conduct board training.

There was no board training conducted during the fourth quarter.

- 3) *Milestone* – Perform staff evaluations.

Several staff evaluations were administered during the 3rd quarter 2004.

Maintain an effective budget process

- 4) *Milestone* – Allocate CDQ royalties in the following manner -- 50% to Capital Investment Fund -- 45% to operations, and 5% to Harvey Samuelson Scholarship Trust.

CDQ Royalties are allocated 50/45/5 as payments are received and reconciled on a quarterly basis.

This milestone was followed as applicable during the second quarter.

- 5) *Milestone* - Approve operating plan and budget.

The 2005 budgets were approved by the Board of Directors at their November 2004 meeting, submitted to the state on December 14, 2004 and approved by NMFS on December 30, 2004.

Community Outreach

Objective -- Maintain and improve outreach to BBEDC communities

- 5) *Milestone* -- Travel to communities to promote BBEDC programs.

The regional recruiter traveled extensively during the fourth quarter to recruit primarily for the A season. In addition, the Chief Operating Officer along with other program managers made several community visits during the quarter.

Provide BBEDC information to communities

7) Milestone – Maintain current information on community bulletin boards.

Community liaisons are relied upon to fulfill this function. BBEDC staff also helps with flyers and other distributions during regular travel to CDQ communities.

8) Milestone – Send out flyers, radio, and cable announcements to promote BBEDC programs.

This is done on a regular basis by the employment and training, regional fishery, and other staff.

9) Milestone - Distribute a quarterly newsletter to BBEDC households.

The BBEDC Tide was mailed to all CDQ box holders in the first week of December 2004.

10) Milestone - Distribute an annual report to BBEDC households.

The report was developed during the 3rd quarter and mailed during the start of the 4th quarter.

11) Milestone – Maintain an active BBEDC website.

The website is being revamped. The project will extend into the early part of the fourth quarter.

Community Liaison Program

12) Milestone – Provide ongoing support and training to BBEDC community liaisons.

Staff is in regular contact with community liaisons and their supervisors. The program will be reevaluated at the end of 2004.

Regional Fisheries Development

Objective - Enhance and expand regional fisheries opportunities in Bristol Bay

12) Milestone - Select initiatives annually for regional fisheries development.

Several new projects are underway for 2005 including the development of an icing utility for Bristol Bay.

14) Milestone - Investigate market opportunities that promote regional brand identity.

Salmon harvested in Bristol Bay in 2004 was custom processed according to the standards of the *Bristol Bay Wild* program. The product was given high marks from wholesale customers.

15) Milestone – Develop quality standards for Bristol Bay salmon harvesters.

An advisory panel of fishermen, industry members and regulators met in Dillingham in September to discuss the development of quality standards in Bristol and the *Bristol Bay Wild* program.

16) Milestone - Explore value-added opportunities in-region.

Staff has spent time during the fourth quarter on developing a gray cod fishery in Bristol Bay. The fishery will occur during the 4E halibut fishery.

Bristol Bay Fish Company

Provide communities the opportunity to learn about operating a seafood company

17) Milestone – Conduct BBFC as a learning environment for operating a seafood company.

During the past summer, the company purchased a small amount of Bristol Bay salmon that met *Bristol Bay Wild's* handling and quality specifications. The product was custom processed at a non-Bristol Bay facility. The product was sold to a wholesale company during the fourth quarter. A year-end report will be available during the 1st quarter 2005.

Ice Machine Support

Objective – Encourage community ownership of ice machines

18) Milestone - Provide ice machines and support services in BBEDC communities.

During the fourth quarter the six BBEDC communities with ice machines successfully applied for grant monies of \$30,000 offered by BBEDC for ice machines upgrades.

4E Halibut Fishery

Objective - Manage 4E halibut fishery to maximize benefits to residents

19) Milestone - Manage 4E halibut fishery to provide benefits to resident fishermen.

In 2004, BBEDC fishermen harvested 80,000 pounds of 4E halibut. BBEDC assisted in managing the fishery and helped local fishermen with training and reporting requirements.

20) Milestone - Hold workshops to promote good fishing practices and use of proper safety techniques.

No workshops were held during the fourth quarter 2004 (occurred during the 1st quarter).

Bristol Bay Permit Brokerage

Objective - Maintain resident ownership of Bristol Bay limited entry permits and provide support services to Bristol Bay fishermen

- 21) *Milestone* - Provide services to Bristol Bay fishermen in an effort to maintain local ownership of limited entry permits in CDQ and non-CDQ communities.

The brokerage provides most of its services during the busy summer season (second quarter). Bernice Heyano has resumed on a temporary basis the brokerage duties during the latter part of the fourth quarter.

- 22) *Milestone* - BBEDC will fund an interest rate support program to help CDQ fishermen with fishery loan payments.

BBEDC began the Interest Rate Assistance program during the third quarter. By year end 2004, several residents had applied for and been awarded benefits. The program is expected to generate a tremendous amount of interest in 2005.

Work with residents to resolve tax and debt problems affecting permit ownership

- 23) *Milestone* – Interact with the IRS and financial institutions on behalf of permit holders.

This is an activity that generally occurs in the summer months during the height of the salmon season with contacts diminishing during the fall and winter months.

Community and Business Development Program

Objective – Promote in-region fishery infrastructure development and technical assistance

- 24) *Milestone* – Provide \$1,000,000 for approved community infrastructure proposals.

There were several projects approved during the 1st three quarters of the year. However, no proposals were submitted during the fourth quarter 2005.

- 25) *Milestone* – Provide \$100,000 per BBEDC community in seed funds during CDP cycle.

Two projects for Curyung and Ekuk tribal councils were approved during the November 2005 board meeting.

- 26) *Milestone* - Monitor completion requirements for approved projects.

This activity occurs regularly throughout the year.

27) *Milestone* - Provide grant writing and business planning services to BBEDC communities and residents.

The service is provided through the Alaska Business Development Center and is available to BBEDC communities and residents upon the processing of a successful application.

Bristol Bay Science and Research Institute

Objective - Promote in-region scientific research and education programs

28) *Milestone* - Maintain core funding of \$283,000 to the Institute.

Funding was provided to the institute as required by the milestone.

29) *Milestone* - Increase research and management employment opportunities for Bristol Bay residents.

A total of 17 local residents were hired to conduct fisheries research and monitoring projects during 2004. One resident was awarded a \$5,000 scholarship to pursue post-graduate university education studies. All BBSRI employees were provided training in state-of-the-art fisheries techniques.

30) *Milestone* – Conduct applied research to improve the management of area fisheries.

Several BBSRI projects designed to improve management of the area's salmon fisheries took place in 2004, including: the Port Moller Test fishery, the catch sampling project, the Nuyakuk and Alagnak counting tower project, and the Nushagak sonar project.

Support fisheries research with grant funding

31) *Milestone* - Secure external funds to support in-region fisheries research and monitoring.

External funding in 2004 totaled \$350,000 was procured. The funding contributed to the success of seven fisheries projects.

Seafood Industry Investments

Objective - Manage Capital Investment Fund to provide revenues to BBEDC in perpetuity

Manage CIF to provide maximum return within established investment policy

32) *Milestone* - Monitor marketable securities fund to insure adequate performance.

The quarterly reports from PRIME Asset Consulting measure the performance of all fund managers and were reviewed by the Financial Officer.

Audited performance numbers are available on a quarter lag. As of September 30, 2004 the CIF Marketable Securities returned 4.86 % for the trailing twelve month period versus 2.83% interest paid on borrowed funds.

Seek seafood industry investment opportunities

33) Milestone – Actively seek opportunities that meet CIF investment criteria of long-term averages of total return of 15%.

During the fourth quarter BBEDC conducted due diligence on prospective Bering Sea investments that met this threshold.

34) Milestone - Obtain state and federal approval for all board approved investments.

One plan amendment was submitted to the state, which was approved during the 1st quarter 2005.

Monitor seafood industry investments for performance and profitability

35) Milestone- Attend subsidiary board and LLC management committee meetings.

The Bristol Leader and Bering Leader LLC committees met during the fourth quarter 2004.

36) Milestone- Prepare quarterly and annual performance reports on investment activities.

A report was provided to the BOD by the Seafood Investment Officer during the November 2004 meeting.

37) Milestone- Track investment profitability per CIF criteria of declared distributions of total initial investment of 7% (exclusive of a large offshore pollock investment after 2003).

The Seafood Investment Officer and Financial officer track all investment activity as outlined in the 2003-2005 CDP (and above milestone).

Marketing and Sales

Objective -- Review CDQ harvest partner marketing plans

38) Milestone - Review and compare plans with ongoing sales results.

The plans are reviewed on a regular basis by the Seafood Investment Officer and Quota Manager.

39) *Milestone* - Research opportunities in marketing of CDQ and IFQ products.

BBEDC has plans to initiate a marketing program in the 2006-2008 CDP. In the meantime, opportunities will be continued to be investigated.

CDQ Harvest and Management

Objective – Limit bycatch and manage CDQ's to maximize benefit to BBEDC

Provide oversight and management of all CDQ fishing

40) *Milestone* - Review CDQ harvest partner fishing plans.

BBEDC staff traveled to Seattle during the first quarter and met with industry representatives to discuss the fishing plan activity for 2004. Throughout the remainder of the year, the quota manager maintained frequent contact with industry representatives via phone and email.

41) *Milestone* – Review operations with CDQ harvest partners.

The quota manager and seafood industry officer correspond regularly with BBEDC harvest partners on all operational activities.

42) *Milestone* – Work with CDQ groups on harvesting and management issues.

Flatfish and pollock management pools for several CDQ groups were managed by BBEDC's quota manager during 2004.

CDQ Program Advocacy

Objective -- Advocate the policy interests of the CDQ program

43) *Milestone* - Represent CDQ interests at the NPFMC, IPHC, and other CDQ related forums.

BBEDC has a board of director who sits on the North Pacific Fishery Management Council. In December of 2004 the quota manager was reappointed to a three-year term on the Advisory Panel. A board of director also sits on the Alaska Board of Fisheries.

Employment

Objective - - Provide employment for Bristol Bay residents and monitor career advancement

Provide employment opportunities with CDQ harvest partners

44) *Milestone* – Place a total of 25 CDQ and non-CDQ residents with CDQ harvest pollock partner(s) each year.

A total of 21 residents have been placed with CDQ pollock harvest partners in 2004.

45) *Milestone* – Place 12 entry level hires with CDQ multi-species harvest partners.

A total of 23 residents were employed with multi-species partners in 2004.

Provide employment in advanced positions with CDQ harvest partners

46) *Milestone* – Monitor career progression opportunities with CDQ harvest partners.

To date, one BBEDC resident has been promoted at American Seafoods to a “Combi” which is a part-time deck and part-time factory processor position. One BBEDC resident became a full share crew member with Kaldestad Fisheries in 2004.

Collaborate with regional and statewide entities

47) *Milestone* - Work with Bristol Bay and statewide service providers to create employment and training opportunities in the region.

During the fourth quarter BBEDC jointly sponsored two Job fairs held in Bristol Bay with BBNA and the State Department of Labor.

Training

Objective -- Develop the human resource potential of Bristol Bay CDQ and non-CDQ residents through vocational training

Provide Adult Basic Education and General Education Diploma training

48) *Milestone* - Provide ABE training for a minimum of 150 residents.

One hundred and thirteen Bristol Bay residents took ABE classes in 2004.

49) *Milestone* - Provide GED training for a minimum of 16 residents.

Eighty one Bristol Bay residents took GED classes in 2004 with five students earning their diplomas.

Provide basic vocational/technical training in-region

50) *Milestone* - Provide basic vocational/technical training for a minimum of 60 residents.

BBEDC has provided basic vocational/training for a total of 232 residents in 2004. One hundred and seventy have been fishing related and 62 were non-fishing related.

51) *Milestone* - Provide training opportunities in BBEDC communities.

BBEDC has supported training in Dillingham, Togiak, King Salmon and Manokotak in 2004.

Provide advanced vocational technical scholarships in approved programs

52) Milestone - Provide advanced vocational/technical training for a minimum of 20 residents.

BBEDC provided 39 vocational scholarships in 2004. Thirty four Bristol Bay area residents have attended BBEDC sponsored Advanced Voc Tech training classes in 2004.

Internships

Objective -- Provide internships in various settings in Bristol Bay and with CDQ harvest partners

53) Milestone- Place a total of nine interns in the Bristol Bay region each year.

BBEDC has placed 10 interns with CDQ harvest partners located outside of the Bristol Bay region in 2004.

54) Milestone - Place a total of five interns with CDQ harvest partners located outside of the Bristol Bay region.

BBEDC has placed six interns with CDQ harvest partners in 2004.

Work readiness opportunities for youth interns

55) Milestone - Collaborate with regional agencies and others to provide youth internships in Bristol Bay.

In 2004 there were 11 internships provided throughout the Bristol Bay region.

Education Initiative

Objective -- Provide academic scholarship program and other education opportunities for CDQ community residents

Manage Harvey Samuelsen Scholarship Trust to provide growth in perpetuity

56) Milestone - Inflation-proof Trust over the preceding five-year period.

The Trust's investments have returned 5.48% for the preceding five year period versus inflation of 3.0%.

57) Milestone - Review Trust investment policy each CDP cycle.

Revisions to the Trust's Investment Policies were approved by the Board at its February 2004 meeting. These revisions strengthen the language on the goal of inflation proofing the Trust and loosen the bond rating limitation to "BBB" to better enable the fund manager to achieve the inflation proofing goal.

58) Milestone - Award 3% of previous year's audited net assets in scholarships.

In September 2004, the Trust Board approved the conversion of the tax status from a "public charity" to a "private foundation". This was done in recognition that significant public support was not being pursued as required by IRS regulations. This action necessitated during the fourth quarter 2004, the increase of the scholarship awards to 5% of Net Assets for calendar year 2004 to 69 recipients.

59) Milestone - Monitor scholarship recipients for academic progress.

BBEDC staff interacts regularly with HSST recipients in Alaska and non-Alaska universities. Contact has been maintained with scholarship recipients via email, phone, and in person. Students are required to submit transcripts at the completion of each term.

Student Loan Forgiveness Project

60) Milestone - Implement and regularly monitor the project.

The implementation of this program was completed in 2004. BBEDC began advertising and recruiting participants. One application was received with more expected in 2005.

Career & College Development Fund

61) Milestone – Place 10 residents in the program and monitor their progress.

BBEDC has awarded 21 Career and College Development Fund during 2004 and has had two individual in the program graduate. One earned a Masters degree in Early Childhood Development and the other a B.A. in Rural Development.

Salmon Camp support

62) Milestone – Continue to develop the camp and its curriculum in an effort to promote fishery management and research career opportunities for Bristol Bay youth.

The camp was held during the period July 19-29, 2004, as scheduled.

63) Milestone -- Recruit camp participants from all Bristol Bay school districts.

There were 20 students throughout the region who participated. BBEDC was pleased at the cross-section of participants from middle school and high schools in the region. Participants

were recruited from all of the Bristol Bay School Districts, including: Dillingham, Egegik, Clarks Point, Manokotak, Ekwok, and King Salmon. All students earned college credits for attending the salmon camp.

Grants

Objective -- Pursue grants to help fund BBEDC programs

64) *Milestone* - Grant funds will support at least 10% of the total budget of non-profit projects in 2004.

In 2004, 16% of the total budget for non-profit projects was supported through grant funds.

65) *Milestone* - Grant funds will support at least 15% of the total budget of non-profit projects in 2005.

Staff is actively searching for new grant sources to assure completion of this milestone in 2005.

66) *Milestone* – Administer and provide grant reporting as required.

All grants are current in terms of reporting and invoicing requirements, which requires a significant amount of coordination between the grant manager, accounting departments and program managers. It underscores the old saying that “no money is for free”.

B. Outreach

Please see the quarterly highlights for more detail.

Employment Data
4th Quarter
Oct. 1st – December 31st

	<u>Quarter</u>		<u>Year-To-Date</u>	
	People	Wages	People	Wages
Management/Admin	17	\$270,625	18	\$1,001,560
WIA Grant	0	0	6	\$7,122
Peer Outreach Project	0	0	8	\$98,367
CDQ Pollock Related				
A SEASON	0	0	20	\$192,057
B SEASON	10	\$74,136	10	\$128,389
Other Fishing	7	\$93,451	91	\$373,435
Other Employment	4	\$9,022	9	\$46,795
Internships	3	\$24,841	38	\$170,783
Total	41	\$472,075	200	\$2,018,508
Unique Individual Total	41	\$472,075	200	\$472,075

Employment Summary

Unique Individuals*

Forty one (41) unique individuals worked in different capacities with BBEDC in the fourth quarter, and a total of 200 unique individuals worked in 2004.

Management and Administration

Eighteen individuals filled seventeen positions with BBEDC in 2004. When BBEDC reported the 1st quarter wages they were taken from the ESC report. This total did not include wages that were non-taxable; this caused the reported wages to be underreported. This is the reason the administrative wages do not equal, if you add quarterly wages to the year-to-date total.

WIA Grant

We had no WIA interns in the fourth quarter BBEDC did not renew this grant.

Peer Outreach Project

The Bristol Bay Peer outreach project grant ended June 30, 2004 after a two-month extension. The program was eliminated due to federal budget cuts.

Pollock A Season

No activity this quarter.

B Season

Ten residents worked for American Seafoods during the 4th quarter. Residents were from the following communities Manokotak, Dillingham, New Stuyahok and Koliganek. All of those who worked in the fourth quarter had worked in previous quarters.

Other Fishing

One resident from Manokotak worked with U.S. Seafoods this quarter. Three Bristol Bay area residents one from Manokotak, one from Koliganek, and one from Aleknagik, worked for Alaska Leader during the 4th quarter. All of them also worked in previous quarters of 2004. Three residents: one from Aleknagik, one from Dillingham, and one from Levelock, worked for Kaldestad fisheries in the fourth quarter. Two had previously worked in the first quarter 2004.

Other Employment

Four residents from Bristol Bay area communities including Dillingham, New Stuyahok, and Togiak, worked as seafood processors for Icicle Seafood's in the fourth quarter. All of these individuals worked for Icicle in previous quarters this year.

Internships Summary

Icicle Seafood's Office

One resident from Dillingham started an internship in Icicle Seafood's Seattle office.

Icicle Vessel/Plant

No activity this quarter

American Seafood's Office

One resident from Togiak continued in an internship position in the American Seafood's Seattle office.

In-Region Interns

BBEDC had one advanced Fisheries Research /Admin Assistant Internship in Naknek complete their internship in the fourth quarter.

Choggiung Interns

No activity this quarter

BBSRI Interns

BBSRI had no interns during the 4th quarter. However, ten (10) BBSRI interns received wages for work performed in the 3rd quarter.

Training Data

4th Quarter 2004

Oct. 1st – December 31st

	Quarter		Year-to-Date	
	People	Expenditure	People	Expenditure
Scholarships				
Post-secondary	5	\$3,177	155	\$158,256
Vocational	18	\$42,426	39	\$92,268
Voc-Tech Classes				
Advanced Vocational	0	0	34	\$6,375
Basic Vocational	38	\$7,717	62	\$14,415
Other Training				
Fisheries Related	5	\$1,796	170	\$26,365
Student Loans	0	0	0	0
CDQ Staff/Board	4	\$5,318	24	\$28,087
Other	66	\$9,880	207	\$35,846
Other Expenditures				
To Educational Institutes				
Educational Endowment Funds				
Other				
Total	136	\$70,314	691	\$361,612

Training Summary

Scholarships

Four residents from Dillingham and one resident from Togiak received a College Development Fund Scholarship. The Harvey Samuelson Scholarship Trust distributed no scholarships in the fourth quarter.

Vocational Scholarships

BBEDC awarded eighteen (18) vocational scholarships in the fourth quarter. Nine were residents of Dillingham. They attended the following trainings; Cosmetology Business & Office Technology, Flight School, Professional Truck Driving, and Commercial Flight Rating programs. Nine residents from Port Heiden took the 40 hour Hazwopper Course.

Vocational-Technical Classes

Advanced Voc/Tech

No activity this quarter.

Basic Voc/Tech

Thirty-Eight Bristol Bay area residents attended Basic Vocational Training classes in the fourth quarter. The classes included Principles of Ecology, Microsoft Word and Grant Writing for Small Business and Grant Management.

Fisheries Related

BBEDC Sponsored a Planning Your Own Business class in Dillingham with two residents each from Aleknagik and Dillingham, and one from Port Heiden in attendance. The class was designed for people interested in expanding their commercial fishing business.

Student Loans

The student loan program for BBEDC has not been fully implemented. However, it is expected to be in place for 2005.

Staff training

Four staff members attended training this quarter. The different trainings are as follows: two staff members completed A/P & payroll classes on Fund Ware. As part of his CPA accreditation requirements, the Financial Officer attended a Not for Profits course in Washington state. Two staff took a Personnel Records Class in Anchorage. One staff attended multiple trainings.

Other

BBEDC supplements the funding of the ABE/GED program administered by UAF Bristol Bay Campus. Forty Five (45) residents took ABE classes during the fourth quarter. Nineteen residents took GED classes during the fourth quarter. The students were from, Aleknagik,

Dillingham, Egegik, Iliamna, Levelock, Manokotak, Newhalen, Nondalton, New Stuyahok, Pilot Point, Togiak, Port Heiden, South Naknek, and Ugashik. Five of the students successfully obtained their GED's in 2004.

E. Other Issues

There were no other issues to report during the fourth quarter.

III. ADMINISTRATION

A. Board Activities

1. Change in Members

There were no changes in the board makeup during the fourth quarter. The committee assignments were continued on into 2005.

B. State of Alaska Reporting Compliance

There are no issues pending.

C. Amendment Status

There are no issues pending.

Number	2004 CDP Amendment Log Amendment Description	Date Received	Date Forwarded	Approval Received
04-01BB	Add American Seafoods Vessels to the Community Development Plan	1/26/03	1/26/03	1/29/03
04-02BB	Subs.: Transfer CDQ & PSQ for the 2004 Pollock pool from CVRF to BBEDC	1/31/04	1/31/04	1/31/04
04-03BB	Subs.: Transfer CDQ & PSQ for the 2004 Pollock pool from CBSFA to BBEDC	1/31/04	1/31/04	1/31/04
04-04BB	Subs.: Transfer CDQ & PSQ for the 2004 Flatfish pool from YDFDA to BBEDC	1/31/04	1/31/04	1/31/04
04-05BB	Subs.: Transfer CDQ & PSQ for the 2004 Flatfish pool from CVRF to BBEDC	1/31/04	1/31/04	1/31/04
04-06BB	Subs.: Transfer CDQ & PSQ for the 2004 Flatfish pool from CBSFA to BBEDC	1/31/04	1/31/04	1/31/04
04-07BB	Subs. Amendment adding Alaska Beauty to BBEDC's CDP.	2/20/04	2/20/04	2/23/04
04-08BB	Transfer of Opilio Crab from YDFDA to BBEDC	3/2/04	3/2/04	3/2/04
04-09BB	Transfer of Opilio Crab from CVRF to BBEDC	3/3/04	3/3/04	Amendment Denied

04-10BB	Transfer of Opilio Crab from CBSFA to BBEDC	3/3/04	3/3/04	Amendment Denied
04-11BB	Transfer of 242.000 MT of Pacific Cod from APICDA to BBEDC	4/9/04	4/9/04	4/12/04
04-12BB	Transfer of 3MT of AI O. Rock fish, and 4 MT of AI Turbot from BBEDC to CVRF.	4/19/04	4/19/04	4/20/04
04-13BB	Transfer of 100 MT of Pacific Cod from CVRF to BBEDC	4/19/04	4/19/04	4/20/04
04-14BB	Subs. Amendment for the Kristen Gayle quota.	7/7/04	7/16/04	
04-15BB	Transfer of 242.000 MT of Pacific Cod from BBEDC to APICDA.	6/14/04	6/14/04	6/15/04
04-16BB	CDP Milestone Amendment	8/25/04	9/02/04	10/04/04
04-17BB	Transfer of 4MT of AI Turbot from CVRF to BBEDC	9/1/04	9/1/04	9/2/04
04-18BB	Transfer of 40MT of BS Pollock and 5MT AI Turbot from YDFDA to BBEDC	10/01/04	10/01/04	10/04/04
04-19BB	Transfer of 11 MT of BS Pollock from NSEDC to BBEDC	10/13/04	10/13/04	10/13/04
04-20BB	Flatfish transfer from YDFDA to BBEDC	10/19/04	10/19/04	10/19/04
04-21BB	Flatfish transfer from CVRF to BBEDC	10/19/04	10/19/04	10/19/04
04-22BB	Flatfish transfer from CBSFA to BBEDC	10/27/04	10/27/04	10/29/04
04-23BB	BBRKC CDQ transfer from BBEDC to NSEDC	11/9/04	11/9/04	11/9/04
04-24BB	Pacific Cod transfer from BBEDC to YDFDA	12/2/04		
04-25BB	Pacific Cod transfer from BBEDC to CVRF	12/3/04	12/3/04	
04-26BB	Purchase of Crab LLP	1/3/04	1/5/04	

D. Other Issues

There are no other issues pending.

A. Target Fishery Harvest Activity

Pollock Target Fishery Harvest Activity Fourth Quarter as of December 31, 2004								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (40%)	mt	29,860.400	29,934.230				29,934.230	40.102%
B Season (60%)	mt	44,790.600			40,487.343	4,223.355	44,710.698	59.898%
BS Pollock Total	mt	74,651.000	29,934.230		40,487.343	4,223.355	74,644.928	100.000%
Bycatch								
Pacific Cod	mt	3,797.230	195.864		143.247	18.291	357.402	0.479%
BS FG Sablefish	mt	58.000					0.000	0.000%
AI FG Sablefish	mt	88.350					0.000	0.000%
BS Sablefish	mt	52.980	0.011		0.036		0.047	0.000%
AI Sablefish	mt	25.350					0.000	0.000%
WAI Atka Mackerel 543	mt	843.500					0.000	0.000%
CAI Atka Mackerel 542	mt	1,267.950					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	444.150	0.025		0.214		0.239	0.000%
Yellowfin Sole	mt	4,124.440	12.251		0.016		12.267	0.016%
Rock Sole	mt	1,931.750	207.222		1.088	0.122	208.432	0.279%
BS Greenland Turbot	mt	95.600	0.189		1.340	0.320	1.849	0.002%
AI Greenland Turbot	mt	31.400					0.000	0.000%
Arrowtooth Flounder	mt	422.000	6.852		28.540	3.048	38.440	0.051%
Flathead Sole	mt	730.350	86.403		39.027	6.079	131.509	0.176%
Other Flatfish	mt	106.250	7.018		15.609	0.044	22.671	0.030%
Alaska Plaice	mt	429.000	0.575		0.080	0.058	0.713	0.001%
BS Pacific Ocean Perch	mt	59.840	0.031		0.189	0.004	0.224	0.000%
WAI Pacific Ocean Perch 543	mt	206.450					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	112.350					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	115.650					0.000	0.000%
BS Other Rockfish	mt	11.250	0.167		0.125	0.007	0.299	0.000%
AI Other Rockfish	mt	16.040					0.000	0.000%
Other Species	mt	0.000	52.780		41.831	9.460	104.071	0.139%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	7,053.000	1.239				1.239	0.000
Zone 1 Bairdi Tanner Crab	ea	36,940.000	7.839		0.000		7.839	0.000
Zone 2 Bairdi Tanner Crab	ea	126,533.000	17.880		15.175	0.073	33.128	0.000
Opilio Tanner Crab	ea	171,300.000			0.000		0.000	0.000
Pacific Halibut (mortality)	mt	143.460	5.334		1.376	0.252	6.962	0.000
Chinook Salmon	ea	1,066.000	541.710		721.096	157.566	1,420.372	0.019
Non-Chinook Salmon	ea	1,550.000	0.000		578.288		578.288	8.000

Pacific Cod Target Fishery Harvest Activity
Fourth Quarter as of December 31, 2004

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (60%)	mt	2,278.338	1,169.281	985.834			2,155.115	68.640%
B Season (40%)	mt	1,518.892			368.718	615.913	984.631	31.360%
Pacific Cod Total	mt	3,797.230	1,169.281	985.834	368.718	615.913	3,139.746	100.000%
Bycatch								
Non Pollock Quota	mt	N/A	5.097	18.332	16.022	20.469	59.920	1.908%
BS FG Sablefish	mt	58.000				0.002	0.002	0.000%
AI FG Sablefish	mt	88.350					0.000	0.000%
BS Sablefish	mt	52.980					0.000	0.000%
AI Sablefish	mt	25.350					0.000	0.000%
WAI Atka Mackerel 543	mt	843.500					0.000	0.000%
CAI Atka Mackerel 542	mt	1,267.950					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	444.150					0.000	0.000%
Yellowfin Sole	mt	4,124.440		0.058	0.472		0.530	0.017%
Rock Sole	mt	1,931.750	0.023	0.023	0.020	0.041	0.107	0.003%
BS Greenland Turbot	mt	95.600	0.019	0.494	0.789	0.071	1.373	0.044%
AI Greenland Turbot	mt	31.400					0.000	0.000%
Arrowtooth Flounder	mt	422.000	0.465	0.879	1.127	4.003	6.474	0.206%
Flathead Sole	mt	730.350	1.011	0.750		0.746	2.507	0.080%
Other Flatfish	mt	106.250				0.010	0.010	0.000%
Alaska Plaice	mt	429.000					0.000	0.000%
BS Pacific Ocean Perch	mt	59.840					0.000	0.000%
WAI Pacific Ocean Perch 543	mt	206.450					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	112.350					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	115.650					0.000	0.000%
BS Other Rockfish	mt	11.250	0.022				0.022	0.001%
AI Other Rockfish	mt	16.040					0.000	0.000%
Other Species	mt	0.000	132.852	172.481	32.833	44.384	382.550	12.184%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	7,053.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	36,940.000					0.000	0.000
Zone 2 Bairdi Tanner Crab	ea	126,533.000					0.000	0.000
Opilio Tanner Crab	ea	171,300.000					0.000	0.000
Pacific Halibut (mortality)	mt	143.460	0.253	2.676	0.349	1.085	4.363	0.001
Chinook Salmon	ea	1,066.000					0.000	0.000
Non-Chinook Salmon	ea	1,550.000					0.000	0.000

Atka Mackerel / Pacific Ocean Perch Target Fisheries Harvest Activity								
Fourth Quarter as of December 31, 2004								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
WAI Atka Mackerel 543	mt	843.500			831.725		831.725	32.9%
CAI Atka Mackerel 542	mt	1,267.950	70.326		803.195	392.386	1,265.907	50.1%
EAI/BS Atka Mackerel 541	mt	444.150	257.980	129.832	41.864		429.676	17.0%
Atka Mackerel Total	mt	2,555.600					2,527.308	100.0%
Bycatch								
Non Pollock Quota	mt	N/A		4.116	4.205	7.375	15.696	0.6%
Pacific Cod	mt	3,797.230	27.559	4.062	126.312	10.849	168.782	6.7%
BS Sablefish	mt	52.980					0.000	0.0%
AI Sablefish	mt	25.350					0.000	0.0%
Yellowfin Sole	mt	4,124.440					0.000	0.0%
Rock Sole	mt	1,931.750	0.941	0.291	9.814	1.927	12.973	0.5%
BS Greenland Turbot	mt	95.600		0.316			0.316	0.0%
AI Greenland Turbot	mt	31.400			12.293	0.619	12.912	0.5%
Arrowtooth Flounder	mt	422.000	0.815	2.877	10.518	0.493	14.703	0.6%
Flathead Sole	mt	730.350		1.899	0.052		1.951	0.1%
Other Flatfish	mt	106.250		0.138	0.133	0.005	0.276	0.0%
Alaska Plaice	mt	429.000					0.000	0.0%
BS Pacific Ocean Perch	mt	59.840					0.000	0.0%
WAI Pacific Ocean Perch 543	mt	206.450			204.032		204.032	8.1%
CAI Pacific Ocean Perch 542	mt	112.350	0.088		46.073	50.939	97.100	3.8%
EAI Pacific Ocean Perch 541	mt	115.650	7.737	86.155	14.076		107.968	4.3%
BS Other Rockfish	mt	11.250					0.000	0.0%
AI Other Rockfish	mt	16.040	0.147	0.637	5.925	0.061	6.770	0.3%
Other Species	mt	0.000	6.244	3.305	26.608	7.162	43.319	1.7%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	7,053.000					0.000	0.000
Zone 1 Bairdi Tanner Crab	ea	36,940.000					0.000	0.000
Zone 2 Bairdi Tanner Crab	ea	126,533.000					0.000	0.000
Opilio Tanner Crab	ea	171,300.000					0.000	0.000
Pacific Halibut (mortality)	mt	143.460	0.447		11.058	3.902	15.407	0.006
Chinook Salmon	ea	1,066.000					0.000	0.000
Non-Chinook Salmon	ea	1,550.000					0.000	0.000

Yellowfin Sole Target Fishery Harvest Activity
Fourth Quarter as of December 31, 2004

CDQ Reserve Category	Units	Allocation after transfers	1 st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
Yellowfin Sole	mt	4,124.440		1,236.197	561.259	2,286.794	4,084.250	100.000%
Bycatch								
Non Pollock Quota	mt	N/A		10.032	423.363	356.159	789.554	19.332%
Pacific Cod	mt	3,797.230		0.512	55.991	70.315	126.818	3.105%
BS FG Sablefish	mt	58.000					0.000	0.000%
AI FG Sablefish	mt	88.350					0.000	0.000%
BS Sablefish	mt	52.980				19.332	19.332	0.473%
AI Sablefish	mt	25.350					0.000	0.000%
WAI Atka Mackerel 543	mt	843.500					0.000	0.000%
CAI Atka Mackerel 542	mt	1,267.950					0.000	0.000%
EAI/BS Atka Mackerel 541	mt	444.150				0.171	0.171	0.004%
Rock Sole	mt	1,931.750		329.999	41.603	112.057	483.659	11.842%
BS Greenland Turbot	mt	95.600				2.572	2.572	0.063%
AI Greenland Turbot	mt	31.400					0.000	0.000%
Arrowtooth Flounder	mt	422.000			27.822	97.400	125.222	3.066%
Flathead Sole	mt	730.350			100.398	77.347	177.745	4.352%
Other Flatfish	mt	106.250		17.984	0.044	12.541	30.569	0.748%
Alaska Plaice	mt	429.000		5.727	95.525	47.749	149.001	3.648%
BS Pacific Ocean Perch	mt	59.840				0.271	0.271	0.007%
WAI Pacific Ocean Perch 543	mt	206.450					0.000	0.000%
CAI Pacific Ocean Perch 542	mt	112.350					0.000	0.000%
EAI Pacific Ocean Perch 541	mt	115.650					0.000	0.000%
BS Other Rockfish	mt	11.250				2.082	2.082	0.051%
Other Species	mt	0.000		14.857	45.964	87.232	148.053	3.625%
PSQ Reserve Category								
Zone 1 Red King Crab	ea	7,053.000			88.495	85.390	173.885	4.257%
Zone 1 Bairdi Tanner Crab	ea	36,940.000			644.191	1,021.280	1,665.471	40.778%
Zone 2 Bairdi Tanner Crab	ea	126,533.000			1,676.877	9,070.888	10,747.765	263.151%
Opilio Tanner Crab	ea	171,300.000					0.000	0.000%
Pacific Halibut (mortality)	mt	143.460		21.811	6.041	28.270	56.122	1.374%
Chinook Salmon	ea	1,066.000					0.000	0.000%
Non-Chinook Salmon	ea	1,550.000					0.000	0.000%

Bering Sea Sablefish Target Fishery Harvest Activity Fourth Quarter as of December 31, 2004								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
BS FG Sablefish	mt	58.000		25.172	5.440		30.612	100.0%
Bycatch								
BS Greenland Turbot	mt	95.600		2.532	0.166		2.698	8.8%
Arrowtooth Flounder	mt	422.000		2.281	0.166		2.447	8.0%
BS Other Rockfish	mt	11.250		0.147	0.027		0.174	0.6%
Other Species	mt	0.000		0.001	0.000		0.001	0.0%

Halibut Target Fishery Harvest Activity Fourth Quarter as of December 31, 2004												
CDQ Reserve Category	Units	Annual Allocation	In	Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
4B Halibut	lbs											
4C Halibut	lbs											
4D Halibut	lbs	134,160			134,160			134,141		134,141	100.0%	19
4E Halibut	lbs	103,500			103,500		80,145			80,145	77.4%	23,355

Crab Harvest Activity Fourth Quarter as of December 31, 2004												
CDQ Reserve Category	Units	Annual Allocation	In	Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
Bering Sea <i>C. Opilio</i>	lbs	356,416	395		356,811	360,070				360,070	100.9%	-3,259
Bering Sea <i>C. Bairdi</i>	lbs											
Bristol Bay Red King crab	lbs	215,712		1,198	214,514				214,514	214,514	100.0%	0
Norton Sound Red King crab	lbs				0							
Pribilof Red & Blue King crab	lbs				0							
St Matthew Blue King crab	lbs											

BBEDC Transferred 1,198 pounds of BBRKC to NSEDC. Of that amount, NSEDC reports that 496 pounds were caught.

MS-CDQ Account Status Report, Fourth Quarter as of December 31, 2004

CDQ Reserve Category		Alloc Amount	In	Out	2004 Total	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	MTs Harvest	Percent Harvested	Remain-ing	Remain-ing
BS Pollock	mt	31,332.000	43,319.000		74,651.000	29,934.230	0.000	40,487.343	4,223.355	74,644.928	99.99%	6.072	0.01%
Pacific Cod	mt	3,394.230	747.000	344	3,797.230	1,392.704	990.407	694.268	715.369	3,792.748	99.88%	4.482	0.12%
BS FG Sablefish	mt	58.000	0.000		58.000	0.000	25.172	5.440	0.002	30.614	52.78%	27.386	47.22%
AI FG Sablefish	mt	88.350	0.000		88.350	0.000	0.000	0.000	0.000	0.000	0.00%	88.350	100.00%
BS Sablefish	mt	23.980	29.000		52.980	0.011	0.000	0.036	19.332	19.379	36.58%	33.601	63.42%
AI Sablefish	mt	11.600	13.750		25.350	0.000	0.000	0.000	0.000	0.000	0.00%	25.350	100.00%
WAI Atka Mackerel 543	mt	232.500	611.000		843.500	0.000	0.000	831.725	0.000	831.725	98.60%	11.775	1.40%
CAI Atka Mackerel 542	mt	349.950	918.000		1,267.950	70.326	0.000	803.195	392.386	1,265.907	99.84%	2.043	0.16%
EAI/BS Atka Mackerel 541	mt	126.450	317.700		444.150	258.005	129.832	42.078	0.171	430.086	96.83%	14.064	3.17%
Yellowfin Sole	mt	1,549.440	2,585.000	10	4,124.440	12.251	1,236.255	561.747	2,286.794	4,097.047	99.34%	27.393	0.66%
Rock Sole	mt	707.250	1,224.500		1,931.750	208.186	330.313	52.525	114.147	705.171	36.50%	1,226.579	63.50%
BS Greenland Turbot	mt	40.600	55.000		95.600	0.208	3.342	2.295	2.963	8.808	9.21%	86.792	90.79%
AI Greenland Turbot	mt	11.400	24.000	4	31.400	0.000	0.000	12.293	0.619	12.912	41.12%	18.488	58.88%
Arrowtooth Flounder	mt	198.000	244.000	20	422.000	8.132	6.037	68.173	104.944	187.286	44.38%	234.714	55.62%
Flathead Sole	mt	299.250	481.100	50	730.350	87.414	2.649	139.477	84.172	313.712	42.95%	416.638	57.05%
Other Flatfish	mt	54.000	54.250	2	106.250	7.018	18.122	15.786	12.600	53.526	50.38%	52.724	49.62%
Alaska Plaice	mt	157.500	271.500		429.000	0.575	5.727	95.605	47.807	149.714	34.90%	279.286	65.10%
BS POPv	mt	22.260	37.580		59.840	0.031	0.000	0.189	0.275	0.495	0.83%	59.345	99.17%
WAI POP 543	mt	58.350	148.100		206.450	0.000	0.000	204.032	0.000	204.032	98.83%	2.418	1.17%
CAI POP 542	mt	32.850	79.500		112.350	0.088	0.000	46.073	50.939	97.100	86.43%	15.250	13.57%
EAI POP 541	mt	34.350	81.300		115.650	7.737	86.155	14.076	0.000	107.968	93.36%	7.682	6.64%
BS Other Rockfish	mt	6.650	4.600		11.250	0.189	0.147	0.152	2.089	2.577	22.91%	8.673	77.09%
AI Other Rockfish	mt	8.640	10.400	3	16.040	0.147	0.637	5.925	0.061	6.770	42.21%	9.270	57.79%
Other Species	mt					191.876	190.644	147.236	148.238	677.994			
PSQ Reserve Category													
Zone 1 Red King Crab	ea	3,103.000	3,950.000		7,053	1.239	0.000	88.495	85.390	175.124	2.48%	6,877.876	97.52%
Zone 1 Bairdi Tanner Crab	ea	17,640.000	19,300.000		36,940	7.839	0.000	644.191	1,021.280	1,673.310	4.53%	35,266.690	95.47%
Zone 2 Bairdi Tanner Crab	ea	51,233.000	75,300.000		126,533	17.880	0.000	1,692.052	9,070.961	10,780.893	8.52%	115,752.107	91.48%
Opilio Tanner Crab	ea	78,300.000	93,000.000		171,300	0.000	0.000	0.000	0.000	0.000	0.00%	171,300.000	100.00%
Pacific Halibut (mortality)	mt	75.460	68.000		143	6.034	24.487	18.824	34.370	83.715	58.35%	59.745	41.65%
Chinook Salmon	ea	457.000	609.000		1,066	541.710	0.000	721.096	157.566	1,420.372	133.24%	-354.372	-33.24%
Non-Chinook Salmon	ea	662.000	888.000		1,550	0.000	0.000	578.288	0.000	578.288	37.31%	971.712	62.69%

Pollock Pool Fishery Harvest by Group, Fourth Quarter as of December 31, 2004

CDQ Reserve Category	Units	BBEDC Alloc	Transferred In				Total Afr Transfers	CDQ Catch by Group					
			CBSFA	CVRF	NSEDC	YDFDA		BBEDC	CBSFA	CVRF	NSEDC	YDFDA	Total
BS Pollock	mt	31,332.000	7,460.000	35,808.000	11.000	40.000	74,651.000	31,329.452	7,459.393	35,805.087	10.999	39.997	74,644.928
Pacific Cod	mt	3,394.230	35.000	159.000			3,244.230	163.657	35.000	158.745			357.402
BS FG Sablefish	mt	58.000					58.000						
AI FG Sablefish	mt	88.350					88.350						
BS Sablefish	mt	23.980	1.000	2.000			26.980	0.019	0.009	0.019			0.047
AI Sablefish	mt	11.600					11.600						
WAI Atka Mackerel 543	mt	232.500					232.500						
CAI Atka Mackerel 542	mt	349.950					349.950						
EAI/BS Atka Mackerel 541	mt	126.450	0.700	2.000			129.150	0.102	0.036	0.102			0.239
Yellowfin Sole	mt	1,549.440	20.000	25.000			1,584.440	4.907	3.271	4.089			12.267
Rock Sole	mt	707.250	52.000	248.000			1,007.250	87.485	20.964	99.983			208.432
BS Greenland Turbot	mt	40.600	2.000	4.000			46.600	0.462	0.462	0.925			1.849
AI Greenland Turbot	mt	11.400					7.400						
Arrowtooth Flounder	mt	198.000	20.000	30.000			228.000	15.828	9.045	13.567			38.440
Flathead Sole	mt	299.250	28.000	69.000			346.250	57.344	21.408	52.757			131.509
Other Flatfish	mt	54.000	5.000	10.000			67.000	11.336	3.779	7.557			22.671
Alaska Plaice	mt	157.500	4.000	20.000			181.500	0.324	0.065	0.324			0.713
BS Pacific Ocean Perch	mt	22.260	1.000	3.000			26.260	0.105	0.030	0.090			0.224
WAI POP 543	mt	58.350					58.350						
CAI POP 542	mt	32.850					32.850						
EAI POP 541	mt	34.350					34.350						
BS Other Rockfish	mt	6.650	0.400	0.700			7.750	0.142	0.057	0.100			0.299
AI Other Rockfish	mt	8.640											
Other Species	mt												104.079
PSQ Reserve Category													
Zone 1 Red King Crab	ea	3,103.000	100.000	300.000			3,503.000	0.531	0.177	0.531		0.000	1.239
Zone 1 Bairdi Tanner Crab	ea	17,640.000	300.000	1,000.000			18,940.000	3.408	1.022	3.408		0.000	7.839
Zone 2 Bairdi Tanner Crab	ea	51,233.000	300.000	2,000.000			53,533.000	15.408	2.311	15.408		0.000	33.128
Opilio Tanner Crab	ea	78,300.000	1,000.000	7,000.000			86,300.000	0.000	0.000	0.000		0.000	0.000
Pacific Halibut (mortality)	mt	75.460	3.000	7.000			85.460	2.611	1.305	3.046		0.000	6.962
Chinook Salmon	ea	457.000	109.000	500.000			1,066.000	608.921	145.235	666.216		0.000	1,420.372
Non-Chinook Salmon	ea	662.000	158.000	730.000			1,550.000	246.985	58.948	272.355		0.000	578.288

Flatfish Pool Fishery Harvest by Group, Fourth Quarter as of December 31, 2004

CDQ Reserve Category	Units	Initial Allocation	Transferred In			Transfer Out	Total	CDQ Catch by Group				
			CBSFA	CVRF	YDFDA			BBEDC	CBSFA	CVRF	YDFDA	Total
Pacific Cod	mt	3,394.230	29.000	87.000	87.000	0.000	3,597.230	93.557	28.863	86.590	86.590	295.600
BS Sablefish	mt	23.980	4.500	5.500	16.000	0.000	49.980	7.072	2.122	2.593	7.544	19.331
AI Sablefish	mt	11.600	2.500	3.750	7.500	0.000	25.350	0.000	0.000	0.000	0.000	0.000
WAI Atka Mackerel	mt	232.500	121.000	220.000	270.000	0.000	843.500	228.539	119.452	217.186	266.547	831.725
CAI Atka Mackerel	mt	349.950	183.000	325.000	410.000	0.000	1,267.950	348.663	182.849	324.732	409.662	1,265.907
EAI/BS Atka Mackerel	mt	126.450	65.000	110.000	140.000	0.000	441.450	120.710	63.790	107.952	137.394	429.846
Yellowfin Sole	mt	1,549.440	495.000	335.000	1,700.000	0.000	4,079.440	1,559.043	494.063	334.366	1,696.782	4,084.253
Rock Sole	mt	707.250	194.500	90.000	650.000	10.000	1,631.750	160.797	69.500	32.159	232.262	494.719
BS Greenland Turbot	mt	40.600	4.000	24.000	21.000	0.000	89.600	0.704	0.178	1.070	0.936	2.888
AI Greenland Turbot	mt	11.400	2.000	8.000	10.000	0.000	31.400	4.007	0.891	3.562	4.453	12.913
Arrowtooth Flounder	mt	198.000	35.000	19.000	140.000	4.000	388.000	57.164	14.931	8.105	59.724	139.924
Flathead Sole	mt	299.250	92.100	52.000	190.000	20.000	613.350	66.226	31.279	17.660	64.528	179.694
Other Flatfish	mt	54.000	8.000	1.250	30.000	50.000	43.250	12.291	3.782	0.591	14.182	30.845
Alaska Plaice	mt	157.500	32.500	140.000	75.000	2.000	403.000	47.673	12.911	55.619	29.796	145.999
BS Pacific Ocean Perch	mt	22.260	3.500	16.080	14.000	0.000	55.840	0.071	0.021	0.096	0.083	0.271
WAI POP 543	mt	58.350	30.100	55.000	63.000	0.000	206.450	57.312	29.820	54.488	62.414	204.034
CAI POP 542	mt	32.850	16.500	30.000	33.000	0.000	112.350	28.130	14.348	26.086	28.695	97.259
EAI POP 541	mt	34.350	17.300	32.000	32.000	0.000	115.650	29.102	16.782	31.042	31.042	107.968
BS Other Rockfish	mt	6.650	0.500	1.500	4.500	0.000	13.150	0.278	0.139	0.416	1.249	2.082
AI Other Rockfish	mt	8.640	1.900	1.000	4.500	0.000	16.040	3.417	0.861	0.453	2.039	6.770
Other Species	mt					0.000	0.000					185.343
PSQ ReserveCategory												
Zone 1 Red King Crab	ea	3,103.000	750.000	1,200.000	1,600.000	0.000	6,653.000	51.649	25.825	41.319	55.092	173.885
Zone 1 Bairdi	ea	17,640.000	3,000.000	3,000.000	12,000.000	0.000	35,640.000	631.730	172.290	172.290	689.160	1,665.470
Zone 2 Bairdi	ea	51,233.000	13,000.000	20,000.000	40,000.000	0.000	124,233.000	3,679.415	1,258.747	1,936.534	3,873.068	10,747.765
Opilio Tanner Crab	ea	78,300.000	15,000.000	25,000.000	45,000.000	0.000	163,300.000	0.000	0.000	0.000	0.000	0.000
Pacific Halibut	mt	75.460	10.000	8.000	40.000	0.000	133.460	27.394	7.609	6.088	30.438	71.529

Pollock Harvesting Activity

1) Summary of harvesting activities by target fishery:

Six American Seafoods vessels collectively harvested 40,487.343 of quota in the third quarter for BBEDC, CBSFA, and CVRF. The remainder of the quota will be harvested in the fourth quarter

2) Summary of bycatch:

Pacific Cod, Other Species, and Flathead sole where the predominant bycatch encountered during the third quarter. However, beyond that the bycatch was minimal.

Pacific Cod Harvesting Activity:

1) Summary of harvesting activities by target fishery:

The Bristol Leader harvested roughly 368.718 MT of cod during the third quarter.

2) Summary of bycatch:

Other Species was the predominant bycatch encountered during the second quarter. Other than that, bycatch was minimal.

Atka mackerel/POP Harvesting Activity:

1) Summary of harvesting activities by target fishery:

The SeaFreeze Alaska caught roughly 1,570 MTs of Atka Mackerel in the third quarter. In addition, 80 MTs of 543 POP was misclassified as 542 POP in the previous quarterly report. The corrected numbers are incorporated in this report.

2) Summary of bycatch:

Bycatch was within normal parameters

Yellowfin Sole Harvesting Activity:

3) Summary of harvesting activities by target fishery:

The Ocean Peace harvested about 570 MTs Yellowfin sole in the third quarter.

4) Summary of bycatch:

The main bycatch species was Rock sole and minimal amounts of Other Flatfish.

Halibut Harvesting Activity:

1. Summary of harvesting activities by target fishery:

The Shemya harvested 134,141 pounds of halibut in Area 4D.

2. Summary of bycatch:

No bycatch was reported in this fishery.

B. Processing Report

Pollock Processing Activities

The Pollock that was harvested on the six American Seafoods vessels was made into various product forms.

Pacific Cod Processing Activities

The Pacific Cod processed on the Bristol Leader was made into both collarbone-on and collarbone-off product forms.

Atka mackerel Processing Activities

The Atka Mackerel and POP harvested were processed into an H&G product form. The bycatch of rockfish and cod were processed in a similar fashion.

Yellowfin sole Processing Activities

The Yellowfin sole that was harvested by US Seafoods' vessels was processed into and H&G product forms.

Halibut Processing Activities

A catcher vessel caught all of the halibut this quarter. None of the halibut CDQ caught was processed on board the vessels.

C. Compliance/Enforcement Issues

There were no compliance or enforcement issues reported in the third quarter Pollock, Cod, Atka Mackerel, Yellowfin sole, or Halibut fisheries.

D. Other Fishing Issues/Activities

No Other Fishing Issues/Activities to report.